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PP RUEHROV
DE RUEHMO #0346/01 0391447
ZNY CCCCC ZZH
P 081447Z FEB 08
FM AMEMBASSY MOSCOW
TO RUEHC/SECSTATE WASHDC PRIORITY 6493
INFO RUEHXK/ARAB ISRAELI COLLECTIVE
RUEHXD/MOSCOW POLITICAL COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 03 MOSCOW 000346

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E.O. 12958: DECL: 02/08/2017

TAGS: PGOV PREL LE IS SY RS XF

SUBJECT: RUSSIA SEEKS, AND FINDS, A ROLE IN THE MIDDLE EAST PEACE PROCESS

REF: A. MOSCOW 282

1B. 07 MOSCOW 5681

1C. MOSCOW 184

Classified By: Ambassador William J. Burns for reasons 1.4 (b/d).

11. (C) Summary: Russia is playing a higher profile role in the Middle East peace process, designed to draw attention to Moscow's reemergence on the international stage, which remains a significant motivation in the Kremlin's diplomacy. Russia continues to position itself as a bridge between the West and Arab states, using its engagement with Hamas and Hezbollah, and its largely uncritical approach to Asad as cards to play in the Quartet and in planning for an Annapolis follow-on conference. This, along with a competitive interest in tapping Middle Eastern markets beyond arms sales, has led Russia to inject new life into formerly moribund relations with Arab states, at a time when ties with Israel are also improving. However, Russian influence in the region remains limited, with Russia checkmated by the intransigence of some of its erstwhile partners. End summary.

Factors Driving Russian ME Offensive

12. (C) As DFM Saltanov underscored in his February 4 meeting with the Ambassador (ref A), Russia remains committed to playing a more active role in the Middle East peace process (MEPP), reflecting ambitions that go beyond a seat at the Quartet table. Despite Israeli diffidence, intra-Palestinian turmoil, and continued rocket attacks by Hamas, Russia continues to advocate a follow-on conference to Annapolis in Moscow) with the idea of a conference first floated by Putin in 2004 and now viewed as part of his leadership "legacy." While Saltanov and his MFA colleagues underscore that Russian efforts remain calibrated to American diplomacy and to progress by the parties in advancing the goals set at Annapolis (with former PM Primakov grousing to the Ambassador that he now was "working for the Americans"), Russian activism is fundamentally aimed at raising Moscow's profile on the international stage. By positioning itself as a "bridge" between the West and the Muslim world, the GOR seeks not only international respect, but the tangible by-products of improved relations with the Muslim world, including greater access to Middle Eastern markets. A side-effect, if not a factor driving Russian policy, is the internal dividend of playing to Russia's significant Muslim population.

13. (C) For too long, experts tell us, Russia relied on ties with Arab states forged during the Soviet era to maintain a modicum of influence in the Middle East. As Russian self-confidence and coffers have grown over the course of the Putin presidency, so too has the pace of Russian diplomacy. Commencing with Putin's historic visit to Israel in 2005, we have seen a diplomatic offensive by senior Russian officials that paved the way for Putin's equally historic visit to Riyadh in 2007. Russia's brand of shuttle diplomacy is seen

in the frequent deployment of Saltanov and Arabist eminence gris, former PM Primakov, to the region, where they have focused their efforts on the Palestinians, Lebanese, and Syrians. Most recently, Saltanov and Security Council Acting Secretary Sobolev made the rounds of Middle East capitals in

SIPDIS

January to advance the MEPP and help facilitate a settlement to the political crisis in Lebanon.

¶4. (C) Russian diplomacy remains closely synched to advancing commercial interests, with the Russians selling themselves as a strategic counterweight to U.S. influence in the region, a partner in oil and gas markets, and as an interlocutor with the Iranian leadership. The courtship of the oil rich Gulf States, in particular, has focused on expanding economic ties and arms sales beyond Russia's traditional regional ally, Syria (ref B). Over the past year, high-level Russian and Saudi officials discussed arms purchases and trade deals, with Rosoboronexport Director Chemezov in Riyadh to conclude a "major" arms package and Russian Railways winning a \$800 million contract in January to construct a new Saudi rail line. (Note: Russian-Saudi trade has increased from \$50 million in 2000 to \$250 million in 2006.) Putin's visits to region have been in the company of large business delegations and Russian energy officials have become a regular presence - Gazprom Deputy Chairman Medvedev visited Egypt, Saudi Arabia, and Qatar in 2007 to discuss joint projects. Lukoil won the right to explore for natural gas in Saudi Arabia's largest oil field in 2005, the same year Stroytransgaz won the contract to construct a portion of the Arab Gas Pipeline and related gas processing plants in Syria.

¶5. (C) Integral to the Russian conception of its role is its self-proclaimed "absence of ideology" and "pragmatism" in

MOSCOW 00000346 002 OF 003

serving as a mediator between the U.S. and states and entities that we have designated terrorist. MFA officials are candid about their disagreement with American policy towards Hamas, Syria, Iran, and Hezbollah. Moscow Carnegie Center analyst Aleksey Malashenko stressed to us that, perversely, crises were good for Russian diplomacy, since it allowed the GOR a niche role as self-styled mediator, whether it was the dispute over Iran's nuclear program, Syrian involvement in Lebanon, or the split between the Palestinian Authority and Hamas.

Analysts: Skeptical, but Hopeful about Russia's Role

¶6. (C) Moscow's foreign policy think tank community, which traditionally has been jaundiced about GOR motives and performance in the Middle East, recently has begun to view Russian MEPP diplomacy in a more positive light. Middle East Studies Institute Director Yevgeniy Satanovskiy, who told us last year that Russian diplomacy was show over substance, said Russian efforts on behalf of Annapolis indicated that it had become more serious about the peace process. The Russian Academy of Sciences' Vyacheslav Belokrinitzky acknowledged that as part of its effort to "solidify its image" as a major power, Russia had been required to play a "useful role" in the region.

¶7. (C) Political expert Boris Makarenko praised the GOR for convincing Syria to attend Annapolis, proposing a follow-up meeting in Moscow, and lending encouragement to political stability in Lebanon. He admitted that Russia had few real resources at its disposal in the region and no close friends or allies, as the U.S. had in Israel, but said that American political weakness caused by Iraq created new opportunities for the Kremlin. Makarenko argued that when one looked at all the issues over which Russia and the U.S. were at odds, the Middle East offered the best opportunity for cooperation.

¶8. (C) Even skeptics, such as Georgiy Mirskiy, a Middle East expert who is close to Primakov, do not dispute Russia's increased aspirations in the region, but remain cynical about Moscow's motivations. Increased Russian activism, Mirskiy argued, was less about promoting peace than it was the result of the GOR failing to find other avenues to play a decisive part in world affairs. Mirskiy argued that Europe was "too crowded" with influential countries, while in Asia it was China, Japan and the U.S. that dominated diplomacy. This left only the Middle East, where Russia could take advantage of the USSR's history as friend to the Arab world to insure itself a prominent place, at a relatively low cost. Mirskiy argued that Russian foreign policy, including in the Middle East, was a "continuation of domestic policy," through which the Kremlin attempted to convince Russians that the country was "rising up from its knees."

The Limits of Russian Influence

¶9. (C) Russia's engagement with Syria, Lebanon, and the Palestinians - the very actors over whom the GOR hoped to exert a level of influence - reveal the limits of Russian effectiveness. While Russia can take partial credit for convincing Damascus to attend Annapolis, Moscow cannot deliver Asad or reliably sway his regime. Lebanese Counselor Fadi Ziadeh told us that his government "looked to Russia" to convince Asad to let the democratic process work in Lebanon and stop the killing of anti-Syrian politicians, but the bloodshed and instability continued. Lebanese politicians who come to Moscow hoping Russia could use its leverage with Syria to end the political impasse over the election of a new Lebanese President leave disappointed. Satanovskiy termed Russian influence with Syria a tool to "send a message and nothing more," whereas Russian Academy of Sciences expert Vladimir Sotnikov characterized the GOR position as preemptive capitulation. Understanding how tenuous its position in the region actually was, he charged, the GOR did not attempt to use its Syrian intermediaries to influence Hezbollah, which would only end in failure.

¶10. (C) While Russian officials typically put the best face on their engagement with Damascus, Saltanov was candid in his assessment to the Ambassador that Russia had failed to secure Syrian support for the selection of a consensus presidential candidate. Across the peace process landscape, Malashenko and other experts stress, Russia's approach has hit the same brick wall: contacts with Hamas "moderates" did not produce compromise with Fatah or a halt to rocket attacks, engagement with Asad and espousal of the Syrian peace track did not stop the assassinations of anti-Syrian leaders in Lebanon, and the cultivation of Iran did not end its defiance of the international community or support for the destructive

MOSCOW 00000346 003 OF 003

policies of Hamas and Hezbollah.

Russia's Middle East Role and Israel

¶11. (C) The new element in Russia's enhanced peace process diplomacy is that it no longer comes at the expense of its relations with Israel. The GOR has worked hard under Putin to expand ties with Israel, at the same time it improved relations with Arab states and reached out to Hamas. The chill in relations that followed the first Hamas delegation visit to Russia in 2006 was brought to end by PM Olmert's visit to Moscow later that year, and Lavrov now trumpets the strategic partnership that the Putin and Olmert governments have built. In January, for example, Foreign Minister Livni visited Moscow while National Security Acting Secretary Sobolov was in Israel opening, what the Israeli Embassy termed, a "new channel" in the strategic relationship (ref C). Russia resolutely straddles the fence, balancing criticism of Palestinian rocket attacks from Gaza with calls for greater Israeli "wisdom" in its treatment of Palestinian

civilians, and exhorting both parties to remain on the diplomatic path.

¶12. (C) Increasingly, there are more shock absorbers in Russian-Israeli relations, both economic (increased trade from \$700 million in 2002 to \$2.3 billion in 2006, and Gazprom's hope that Israel will become a consumer of Russian gas) and cultural, reflecting the large number of Russian-Israeli citizens and family ties between the countries. Analyst Satanovskiy also credited Putin with taking a genuine interest in improving relations with Israel because of his strong personal ties with Russian Jews. He said, however, Putin's personal engagement did not mean Russia took Israeli interests as paramount, an assessment seconded by Israeli emboffs who believed the GOR separated the bilateral relationship from its regional role. Analysts pointed out that improved ties with Israel had not stopped Russia from selling arms to Syria, although they understood (and Israeli emboffs confirmed) that Putin interceded a few times to halt the sale of certain weapons at Israel's request.

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